Impact of crude prices on taxes/duties paid by Oil Companies

1001. SHRI TAPAN KUMAR SEN:
SHRI MOHAMMED AMIN:

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) the amount of taxes/duties/cess paid by Public Sector Oil Marketing Companies (OMCs) during the 1st quarter of 2007-08;

(b) whether the rise in crude oil price has any impact on the taxes/duties paid, because of ad-valorem nature of taxes;

(c) if so, whether Government are changing tax/duty structure from 'ad-valorem' to 'fixed'; and

(d) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DINSHA J. PATEL): (a) Provisional revenue collection from the petroleum sector from customs and excise duties during the 1st quarter of 2007-08 is reported to be Rs.18, 010 crore.

(b) Crude oil is leviable at basic customs duty of 5% ad valorem. The amount of customs duty collected from crude oil is a function of both quantity imported and value.

(c) and (d) The Government have taken measures to rationalize taxes/duties on crude oil. Accordingly, the customs duty on crude oil was reduced from 10% to 5% with effect from 1.3.2005 and have also reduced 'ad-valorem' component in Excise duty on Petrol & Diesel. The custom and excise duties on domestic LPG and PDS kerosene have been reduced to 'NIL'.

Under recoveries by Oil Companies

1002. SHRI MOHAMMED AMIN:
SHRI TAPAN KUMAR SEN:

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) the profit after tax earned by Public Sector Oil Companies during the years, 2004-05, 2005-06, 2006-07;

(b) the dividend paid by the companies during these periods;

(c) the amount of under recoveries notionally assessed by the companies during these years;

(d) whether under recoveries are being taken into account before deciding dividend; and

(e) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DINSHA J. PATEL): (a) and (b) The profit after tax and dividend paid by the major oil PSUs are as follows: